

Message Text

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67

ACTION EB-11

INFO OCT-01 ARA-16 EUR-25 ISO-00 AID-20 CIAE-00 COME-00

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SP-03 CIEP-02 LAB-06 SIL-01 OMB-01 NSC-07 SS-20

STR-08 CEA-02 AGR-20 L-03 DRC-01 /179 W

----- 015278

R 141728Z MAY 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 0341

INFO AMEMBASSY BONN

AMEMBASSY SANTIAGO

C O N F I D E N T I A L LONDON 05985

DEPARTMENT PASS TREASURY AND FRB

E.O. 11652: XGDS-1, DECLAS 5-14-04

TAGS: EFIN, CI, UK

SUBJECT: CHILE DEBT RESCHEDULING

REF: BONN 7056, STATE 95005

1. H.M. TREASURY TELLS US IN STRICTEST CONFIDENCE THAT THEY HAVE AGREED WITH CHILEANS ON A MORATORUWM INTEREST RATE OF 7-1/2 REPEAT 7-1/2 PERCENT TO BE CHARGED THE CHILEANS IN BILATERAL DEBT AGREEMENT COVERING 1973 AND 1974. BRITISH WERE PREPARED TO GO LOWER BUT CHILEANS ACCEPTED 7-1/2 PERCENT.

2. BRITISH EXPECT TO SIMPLY REWRITE 1972 AGREEMENT CHANGING RATES AND NUMBERS BUT AS YET NO AGREEMENT HAS BEEN OFFICIALLY SIGNED AND THUS INTEREST RATE IS NOT PUBLIC KNOWLEDGE.

3. COMMENT: CHILE IS NOT A VERY SENSITIVE POLITICAL ISSUE IN THE U.K. AND THUS THE BRITISH FEEL NEED TO GIVE
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NEW GOVERNMENT TERMS WHICH ARE EQUAL BUT CERTAINLY NOT MORE FAVORABLE THAN THOSE GIVEN TO THE ALLENDE GOURNMENT.

H.M. TREASURY WAS ACTUALLY SURPRISED AND PLEASED WHEN
CHILEANS ACCEPTED 7-1/2 PERCENT INTEREST WHICH WAS BRITISH
OPENING OFFER.

SOHM

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEBT REPAYMENTS, BALANCE OF PAYMENTS, INTEREST RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
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Executive Order: GS
Errors: N/A
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Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
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Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 MAY 2002 by ifshinsr>; APPROVED <14 FEB 2003 by GarlanWA>
Review Markings:

Declassified/Released
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EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
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Type: TE
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